

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2021-117-S - ORDER NO. 2021-297
APRIL 30, 2021

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| IN RE: Petition of Palmetto Wastewater Reclamation, LLC for Leave to Substitute Bond for Letter of Credit, Request for Waiver of Notice by Publication, and Expedited Review |) ORDER APPROVING |
| |) PETITION TO |
| |) SUBSTITUTE |
| |) PERFORMANCE BOND |
| |) WITH INSURANCE |
| |) SURETY FOR CURRENT |
| |) LETTER OF CREDIT |
| |) SURETY |

This matter comes before the Public Service Commission of South Carolina on the Petition of Palmetto Wastewater Reclamation, LLC (“PWR” or “the Company”) for leave to substitute a bond for a letter of credit and a request for waiver of Notice by publication. The Company also requests expedited review of the matter. The request for expedited review is granted.

Specifically, PWR requests substitution of Atlantic Specialty Insurance Company as surety on the performance bond for the previous surety which was a letter of credit. S.C. Code Ann. Reg. 103-512.3 specifies that before a company can operate any sewer utility system for which Commission approval is required, the utility must have on file with the Commission and provide a copy to the Office of Regulatory Staff (“ORS”) a performance bond with sufficient surety using a format prescribed by the Commission. S.C. Code Ann. Regs. 103-512.3.1 states that the amount of the bond shall be based on, but not limited to, the total amount of certain prescribed categories of expenses for a twelve-month period.

The bond amounts range from \$100,000 to \$350,000. In the present case, the amount of PWR's bond is \$350,000. Further, S.C. Code Ann. Reg. 103-512.3.2 holds that sufficient surety may be any duly licensed bonding or insurance company authorized to do business in this state.

In the present case, PWR's submitted bond with surety meets the requirements of the Commission's Regulations. Accordingly, the substitution of the submitted bond with Atlantic Specialty Insurance Company as surety for the letter of credit surety should be approved *nunc pro tunc*.

In the course of reviewing correspondence from the Company, it was discovered that Palmetto Wastewater Reclamation, LLC has changed its Company name to Palmetto Wastewater Reclamation, Inc.

FINDINGS OF FACT:

1. PWR requests substitution of Atlantic Specialty Insurance Company as surety on the performance bond for the previous surety, which was a letter of credit.
2. The amount of the bond is \$350,000, which is the maximum amount allowed under Commission Regulations.
3. The new surety for the bond will be Atlantic Specialty Insurance Company.
4. PWR's submitted bond with surety meets the requirements of the Commission's Regulations.
5. The substitution of the submitted bond with Atlantic Specialty Insurance Company as surety for the letter of credit surety should be approved *nunc pro tunc*.

6. Palmetto Wastewater Reclamation, LLC is now Palmetto Wastewater Reclamation, Inc.

CONCLUSIONS OF LAW:

1. S.C. Code Ann. Regs. 103-512.3 specifies that before a company can operate any sewer utility system for which Commission approval is required, the utility must have on file with the Commission and provide a copy to the Office of Regulatory Staff (“ORS”) a performance bond with sufficient surety using a format prescribed by the Commission.

2. S.C. Code Ann. Regs. 103-512.3.1 states that the amount of the bond shall be based on, but not limited to, the total amount of certain prescribed categories of expenses for a twelve-month period. The bond amounts range from \$100,000 to \$350,000.

3. S.C. Code Ann. Regs. 103-512.3.2 states that sufficient surety may be any duly licensed bonding or insurance company authorized to do business in this state.

4. S.C. Code Ann. Regs. 103-504 provides general authority for the Commission’s regulatory authority over sewer companies, including their names. Specifically, changes in the name of a Company must be approved by the Commission.

ORDERING PROVISIONS:

1. The substitution of Atlantic Specialty Insurance Company as surety on the performance bond for the previous letter of credit as surety is approved *nunc pro tunc*.

2. The Company shall deliver the performance bond with original signatures to the Commission within seven (7) days of the date of this Order.

3. The Company shall file a request for Commission approval of the name change within ten (10) days of the date of this Order.

4. This Order shall remain in full force and effect until further order of the Commission.

BY ORDER OF THE COMMISSION:



Justin T. Williams, Chairman
Public Service Commission of
South Carolina